



QUARTERLY STATEMENT

AS OF JUNE 30, 2009
OF THE CONDITION AND AFFAIRS OF THE

Group Hospitalization and Medical Services, Inc.

NAIC Group Code	00380	00380	NAIC Company Code	53007	Employer's ID Number	53-0078070
	(Current Period)	(Prior Period)				
Organized under the Laws of	District of Columbia		State of Domicile or Port of Entry	District of Columbia		
Country of Domicile	United States					
Licensed as business type:	Life, Accident & Health [] Property/Casualty [] Dental Service Corporation [] Vision Service Corporation [] Other [] Health Maintenance Organization [] Hospital, Medical & Dental Service or Indemnity [X] Is HMO, Federally Qualified? Yes [] No []					
Incorporated/Organized	08/11/1939		Commenced Business	03/15/1934		
Statutory Home Office	840 First Street NE		Washington, DC 20065			
	(Street and Number)		(City or Town, State and Zip Code)			
Main Administrative Office	10455 Mill Run Circle		Owings Mills, MD 21117	410-581-3000		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Mail Address	10455 Mill Run Circle		Owings Mills, MD 21117			
	(Street and Number or P.O. Box)		(City or Town, State and Zip Code)			
Primary Location of Books and Records	10455 Mill Run Circle		Owings Mills, MD 21117	410-998-7011		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Internet Web Site Address	www.carefirst.com					
Statutory Statement Contact	William Vincent Stack		410-998-7011			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	bill.stack@carefirst.com		410-998-6850			
	(E-mail Address)		(FAX Number)			

OFFICERS

Name	Title	Name	Title
Chester Emerson Burrell	President and Chief Executive Officer	John Anthony Picciotto	Corp.Secretary, Exec. VP & Gen. Counsel
Jeanne Ann Kennedy	Corp. Treasurer & VP		

OTHER OFFICERS

Glenn Rothman	SVP, Shared Services	David Donald Wolf	EVP, Medical Systems
Gregory Mark Chaney	EVP, CFO	Gregory Allen Devou	EVP, Chief Mktg Office
Michael Bruce Edwards	SVP, Networks Mgmt	Gwendolyn Denise Skillern	SVP, General Auditor
Pamela Sue Deuterman	SVP, ASU-FEP	Michael John Felber	SVP, Sales
Sharon Jean Vecchioni	EVP, Chief of Staff	Rita Ann Costello	SVP, Strategic Marketing
Maria Harris Tildon	SVP, Public Policy	Jon Paul Shematek, M.D.	Chief Medical Officer
Dennis Allen Cupido	SVP, ASU-Large Groups	Kenny Waitem Kan	SVP, Chief Actuary
Alok Gutpa	SVP, CIO	Steven Jon Margolis #	SVP, ASU-Small & Medium Groups
Andrew Francis Sullivan #	SVP, ASU-Consumer Direct	Kevin Charles O'Neill #	SVP, Strategic Managed Care Initiatives

DIRECTORS OR TRUSTEES

Elizabeth Oliver-Farrow	James Wallace	Linda Washington Cropp	Larry Donovan Bailey
Carlos Mario Rodriquez	Robert Marcellus Willis	Nathaniel Thomas Connally	Faye Ford Fields
Natalie Olivia Ludaway	Robert Lee Sloan	Ralph John Rohner	

State of
County of ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Chester Emerson Burrell President and Chief Executive Officer	John Anthony Picciotto Corp.Secretary, Exec. VP & Gen. Counsel	Jeanne Ann Kennedy Corp. Treasurer & VP
Subscribed and sworn to before me this _____ day of _____,		a. Is this an original filing? Yes [X] No []
_____		b. If no:
		1. State the amendment number _____
		2. Date filed _____
		3. Number of pages attached _____

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	579,354,930		579,354,930	611,460,470
2. Stocks:				
2.1 Preferred stocks	5,132,369		5,132,369	5,385,403
2.2 Common stocks	260,552,687		260,552,687	283,802,985
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$(72,404,460)), cash equivalents (\$0) and short-term investments (\$157,993,712).....	85,589,253		85,589,253	22,184,796
6. Contract loans (including \$premium notes).....			0	0
7. Other invested assets	878,503	166,667	711,836	506,034
8. Receivables for securities			0	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	931,507,742	166,667	931,341,075	923,339,688
11. Title plants less \$charged off (for Title insurers only).....			0	0
12. Investment income due and accrued	5,587,841		5,587,841	5,106,928
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	213,402,313	2,494,418	210,907,895	230,904,426
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....			0	0
13.3 Accrued retrospective premiums.....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	19,750,012		19,750,012	26,363,324
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts	728,141		728,141	636,577
15. Amounts receivable relating to uninsured plans	44,853,707	3,387,337	41,466,370	47,679,636
16.1 Current federal and foreign income tax recoverable and interest thereon	4,174,710		4,174,710	13,275,013
16.2 Net deferred tax asset.....	145,605,373	133,531,668	12,073,705	8,895,120
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software.....	82,991,941	81,119,059	1,872,882	1,452,593
19. Furniture and equipment, including health care delivery assets (\$)	7,049,525	7,049,525	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates	12,037,122	8,153	12,028,969	8,896,000
22. Health care (\$50,557,804) and other amounts receivable.....	511,105,525	4,873,032	506,232,493	504,030,061
23. Aggregate write-ins for other than invested assets	71,452,105	69,093,113	2,358,992	2,355,686
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	2,050,246,057	301,722,972	1,748,523,085	1,772,935,052
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	2,050,246,057	301,722,972	1,748,523,085	1,772,935,052
DETAILS OF WRITE-INS				
0901.			0	
0902.			0	
0903.			0	
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0
2301. Other Assets.....	2,358,992		2,358,992	2,355,686
2302. Other Assets Non-Admitted.....	69,093,113	69,093,113	0	0
2303.			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	71,452,105	69,093,113	2,358,992	2,355,686

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$32,275,088 reinsurance ceded).....	269,679,938	4,591	269,684,529	271,596,790
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses	10,420,623	177	10,420,800	10,120,800
4. Aggregate health policy reserves	455,674,687		455,674,687	455,674,687
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	76,690,674		76,690,674	73,389,418
9. General expenses due or accrued	109,662,379		109,662,379	107,065,396
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable	45,466,475		45,466,475	53,726,412
12. Amounts withheld or retained for the account of others	42,052,685		42,052,685	64,105,435
13. Remittances and items not allocated	3,855,545		3,855,545	5,187,502
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	19,966,202		19,966,202	12,103,349
16. Payable for securities			0	0
17. Funds held under reinsurance treaties (with \$0 authorized reinsurers and \$unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured plans	23,714,604		23,714,604	24,742,235
21. Aggregate write-ins for other liabilities (including \$608,613 current)	7,070,176	0	7,070,176	8,443,312
22. Total liabilities (Lines 1 to 21).....	1,064,253,988	4,768	1,064,258,756	1,086,155,336
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX		0
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX		0
27. Surplus notes	XXX	XXX		0
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	684,264,326	686,779,718
30. Less treasury stock, at cost:				
30.1shares common (value included in Line 24 \$)	XXX	XXX		0
30.2shares preferred (value included in Line 25 \$)	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	684,264,326	686,779,718
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	1,748,523,082	1,772,935,054
DETAILS OF WRITE-INS				
2101. Amounts Withheld for Escheatment.....	6,461,563		6,461,563	7,906,880
2102. Reinsurance Payable.....	608,613		608,613	536,432
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	7,070,176	0	7,070,176	8,443,312
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801.	XXX	XXX		
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX	5,446,367	5,200,486	10,975,857
2. Net premium income (including \$ non-health premium income).....	XXX	1,411,645,840	1,549,923,621	2,815,214,151
3. Change in unearned premium reserves and reserve for rate credits	XXX		0	(71,218,678)
4. Fee-for-service (net of \$ medical expenses)	XXX		0	0
5. Risk revenue	XXX		0	0
6. Aggregate write-ins for other health care related revenues	XXX	5,751,287	8,648,012	13,515,534
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	1,417,397,127	1,558,571,633	2,757,511,007
Hospital and Medical:				
9. Hospital/medical benefits	21,508	888,954,379	910,519,384	1,757,032,209
10. Other professional services		31,772,228	30,785,177	60,309,125
11. Outside referrals			0	0
12. Emergency room and out-of-area	2,434	132,691,924	118,907,818	251,354,756
13. Prescription drugs		353,146,134	335,329,749	667,466,588
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts			0	0
16. Subtotal (Lines 9 to 15)	23,942	1,406,564,665	1,395,542,128	2,736,162,678
Less:				
17. Net reinsurance recoveries		138,095,836	(3,675,560)	257,634,048
18. Total hospital and medical (Lines 16 minus 17)	23,942	1,268,468,829	1,399,217,688	2,478,528,630
19. Non-health claims (net).....			0	0
20. Claims adjustment expenses, including \$ 9,038,563 cost containment expenses.....		47,095,935	42,105,481	85,485,704
21. General administrative expenses.....		107,680,932	110,318,380	183,980,707
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)			0	0
23. Total underwriting deductions (Lines 18 through 22)	23,942	1,423,245,696	1,551,641,549	2,747,995,041
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(5,848,569)	6,930,084	9,515,966
25. Net investment income earned		17,873,562	20,691,107	42,338,600
26. Net realized capital gains (losses) less capital gains tax of \$.....1,063,937		4,255,748	4,644,329	(18,019,830)
27. Net investment gains (losses) (Lines 25 plus 26)	0	22,129,310	25,335,436	24,318,770
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0	0
29. Aggregate write-ins for other income or expenses	0	49,070	37,512	(3,237)
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	16,329,811	32,303,032	33,831,499
31. Federal and foreign income taxes incurred	XXX	834,167	6,723,782	7,571,329
32. Net income (loss) (Lines 30 minus 31)	XXX	15,495,644	25,579,250	26,260,170
DETAILS OF WRITE-INS				
0601. FEP Operations Center Performance Incentive.....	XXX	5,714,000	8,597,000	13,401,000
0602. Trigon network fee - Med D.....	XXX	37,287	51,012	114,534
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	5,751,287	8,648,012	13,515,534
0701.	XXX			
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0	0
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0	0
2901. Miscellaneous.....		49,070	37,512	(3,237)
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	49,070	37,512	(3,237)

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL AND SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	686,779,718	753,558,919	753,558,919
34. Net income or (loss) from Line 32	15,495,644	25,579,250	26,260,170
35. Change in valuation basis of aggregate policy and claim reserves		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$(2,630,075)	2,440,937	(8,683,879)	(10,492,177)
37. Change in net unrealized foreign exchange capital gain or (loss)	0	(372,626)	(373,294)
38. Change in net deferred income tax	(2,085,266)	1,063,868	126,262,466
39. Change in nonadmitted assets	(20,361,828)	(10,539,676)	(186,120,835)
40. Change in unauthorized reinsurance	0	0	0
41. Change in treasury stock		0	0
42. Change in surplus notes	0	0	0
43. Cumulative effect of changes in accounting principles		0	0
44. Capital Changes:			
44.1 Paid in		0	0
44.2 Transferred from surplus (Stock Dividend)		0	0
44.3 Transferred to surplus		0	0
45. Surplus adjustments:			
45.1 Paid in		0	0
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital		0	0
46. Dividends to stockholders		0	0
47. Aggregate write-ins for gains or (losses) in surplus	1,995,122	0	(22,315,531)
48. Net change in capital and surplus (Lines 34 to 47)	(2,515,391)	7,046,937	(66,779,201)
49. Capital and surplus end of reporting period (Line 33 plus 48)	684,264,327	760,605,856	686,779,718
DETAILS OF WRITE-INS			
4701. Correction of an Accounting error.....	1,995,122	0	0
4702. Change in accumulated other - pension.....		0	(22,316,167)
4703. Miscellaneous.....		0	636
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	1,995,122	0	(22,315,531)

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	1,424,906,885	2,802,525,818
2. Net investment income	16,719,650	43,753,586
3. Miscellaneous income	5,751,287	13,515,534
4. Total (Lines 1 to 3)	1,447,377,822	2,859,794,938
5. Benefit and loss related payments	1,262,538,755	2,537,866,704
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		0
7. Commissions, expenses paid and aggregate write-ins for deductions	139,976,725	289,267,152
8. Dividends paid to policyholders		0
9. Federal and foreign income taxes paid (recovered) net of \$tax on capital gains (losses).....	(7,700,982)	11,044,044
10. Total (Lines 5 through 9)	1,394,814,498	2,838,177,900
11. Net cash from operations (Line 4 minus Line 10)	52,563,324	21,617,038
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	251,454,086	1,114,739,188
12.2 Stocks	65,090,443	67,529,066
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	4,335,587	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	320,880,116	1,182,268,254
13. Cost of investments acquired (long-term only):		
13.1 Bonds	228,366,319	1,052,069,860
13.2 Stocks	26,540,689	115,725,614
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	432,250	506,034
13.6 Miscellaneous applications	4,334,242	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	259,673,500	1,168,301,508
14. Net increase (or decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	61,206,616	13,966,746
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	(50,365,482)	(19,360,403)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(50,365,482)	(19,360,403)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	63,404,458	16,223,381
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	22,184,795	5,961,414
19.2 End of period (Line 18 plus Line 19.1)	85,589,253	22,184,795

STATEMENT AS OF JUNE 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	928,875	45,421	397,892	5,833	.0	16,825	347,426	.5	.0	115,473
2 First Quarter	908,469	47,063	396,360	5,696	.0	20,532	350,245	.65	.0	88,508
3 Second Quarter	911,770	49,511	393,027	5,623	.0	23,301	350,957	.65	.0	89,286
4. Third Quarter0									
5. Current Year	0									
6 Current Year Member Months	5,446,367	284,725	2,369,514	34,136		125,861	2,098,931	391		532,809
Total Member Ambulatory Encounters for Period:										
7. Physician	2,720,866	128,149	1,113,086	36,515			1,443,044			72
8. Non-Physician	452,509	18,605	169,702	5,889			258,312			1
9. Total	3,173,375	146,754	1,282,788	42,404	0	0	1,701,356	0	0	73
10. Hospital Patient Days Incurred	124,096	4,203	34,575	4,113			81,205			
11. Number of Inpatient Admissions	25,654	880	8,854	695			15,225			
12. Health Premiums Written (a)	1,579,818,429	71,061,850	716,060,804	7,557,727		35,955,364	739,648,723	464,292		9,069,669
13. Life Premiums Direct0									
14. Property/Casualty Premiums Written0									
15. Health Premiums Earned	1,579,818,429	71,061,850	716,060,804	7,557,727		35,955,364	739,648,723	464,292		9,069,669
16. Property/Casualty Premiums Earned0							.0		
17. Amount Paid for Provision of Health Care Services	1,409,638,048	58,340,625	595,129,276	5,745,636		26,032,905	721,115,124	165,698		3,108,784
18. Amount Incurred for Provision of Health Care Services	1,406,564,665	59,390,385	602,014,276	5,699,196		26,497,305	709,699,840	165,679		3,097,984

(a) For heath premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ 464,292

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

[illegible]

UNDERWRITING AND INVESTMENT EXHIBIT
ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	82,377,092	457,708,639	9,063,802	100,171,060	91,440,894	99,985,836
2. Medicare Supplement	3,252,776	9,109,947	322,979	3,535,827	3,575,755	3,931,879
3. Dental Only	1,897,997	11,043,371	95,333	2,204,984	1,993,330	2,050,704
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan	136,691,300	584,423,824	8,471,898	141,890,003	145,163,198	161,777,184
6. Title XVIII - Medicare					0	0
7. Title XIX - Medicaid					0	0
8. Other health	2,292,411	4,017,679	2,369,248	1,559,396	4,661,659	3,851,186
9. Health subtotal (Lines 1 to 8).....	226,511,576	1,066,303,460	20,323,260	249,361,270	246,834,836	271,596,789
10. Health care receivables (a)		22,433,948			0	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts					0	0
13. Totals	226,511,576	1,043,869,512	20,323,260	249,361,270	246,834,836	271,596,789

(a) Excludes \$32,603,604 loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The DISB recognizes only statutory accounting practices prescribed or permitted by the District of Columbia for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the District of Columbia Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed practices by the District of Columbia. The Company does not utilize any permitted practices.

For the six months ending June 30, 2009 and 2008, there were no differences in net income and surplus between NAIC SAP and practices prescribed by the District of Columbia.

B. Use of Estimates in the Preparation of the Financial Statements

No change.

C. Accounting Policy

No change.

2. Accounting Changes and Corrections of Errors

During the 2nd quarter of 2009, the Company corrected its accounting policy regarding non-admitted assets and the recording of an accounts receivable allowance account.

As a result of the correction noted above, the Company recorded an increase of \$1,995,000 directly to surplus. This adjustment was comprised of reversing the allowance for doubtful accounts of \$6,320,000 as of December 31, 2008, recording additional non-admitted assets of \$3,826,000 and decreasing the gross and net admitted deferred tax assets of \$499,000.

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

No change.

5. Investments

No change.

6. Joint Ventures, Partnerships and Limited Liability Companies

No change.

7. Investment Income

No change.

8. Derivative Instruments

No change.

9. Income Taxes

The components of the net deferred tax asset recognized in the Company’s Assets, Liabilities, and Capital and Surplus are as follows:

				Jun. 30, 2009	Dec. 31, 2008
Total of gross deferred tax assets				\$152,546,052	\$147,802,812
Total of deferred tax liabilities				(6,940,679)	(2,243,465)
Net deferred tax asset				145,605,373	145,559,347
Deferred tax asset nonadmitted				(133,531,668)	(136,664,227)
Net admitted deferred tax asset				12,073,705	8,895,120
(Increase) decrease in nonadmitted asset				\$3,132,559	\$(132,890,864)

The provisions for incurred taxes on earnings:

	Jun 30, 2009	Jun 30, 2008	Dec 31, 2008
Federal provision	834,167	6,723,782	7,571,329

NOTES TO FINANCIAL STATEMENTS

Federal income tax on net capital gains	1,063,937	1,161,082	(4,504,957)
Federal income taxes incurred	1,898,104	7,884,864	7,571,329

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	Jun. 30, 2009	Dec. 31, 2008
Deferred tax assets:		
Accounts Receivable	\$2,420,683	\$2,211,855
Investments	1,855,788	4,883,090
Benefit Obligations	15,947,682	15,446,956
Accrued Expenses	5,013,566	5,359,587
Unpaid Claims	2,792,670	2,765,134
AMT Credits	108,230,741	108,230,741
Nonadmitted deferred tax assets and other	16,284,922	8,905,449
Total deferred tax assets	152,546,052	147,802,812
Nonadmitted deferred tax assets	(133,531,668)	(136,664,227)
Admitted deferred tax assets	19,014,384	11,138,585
Deferred tax liabilities:		
FAS 115	0	0
Other	(6,940,679)	(2,243,465)
Total deferred tax liabilities	(6,940,679)	(2,243,465)
Net Admitted deferred tax assets	\$12,073,705	\$8,895,120

The change in net deferred income taxes is comprised of the following:

	Jun. 30, 2009	Dec. 31, 2008	Change
Total deferred tax assets	\$152,546,052	\$147,802,809	\$4,743,243
Total deferred tax liabilities	(6,940,679)	2,243,465	(4,697,214)
Net deferred tax asset(liability)	\$145,605,373	\$145,559,347	46,029
Tax effect of unrealized gains(losses)			(2,630,075)
Change in net deferred income tax			\$(2,584,046)

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference are as follows: principally as a result of 833(b) deduction, mark-up for intercompany services, changes in tax contingency reserves and valuation allowance.

The Company has accumulated Alternative Minimum Tax (AMT) credits of approximately \$108,231,000 at June 30, 2009. The credits can be used, in certain circumstances, to offset future regular tax.

The Company is included in a consolidated federal income tax return of CareFirst, Inc. The Company has a written agreement, which sets forth the manner in which the total combined federal income tax is allocated to each entity, which is a party to the consolidation. The agreement calls for an allocation based on the Company's pre-tax income after affecting for permanent differences at the alternative minimum tax rates. The federal tax allocation for both 2009 and 2008 was 20 percent of pre-tax income after permanent differences. These amounts are included in provision for income taxes in the accompanying statements of revenue and expenses --statutory basis.

Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes.

10. Information Concerning Parent, Subsidiaries and Affiliates

Group Hospitalization and Medical Services, Inc. (GHMSI or the Company) is a not-for-profit company that provides a comprehensive array of health insurance and managed care products and services primarily through indemnity health insurance, health maintenance organization coverage and health benefits administration. Other products and services include preferred provider and point-of-service networks, third-party administrator services and other managed care services. These products and services are provided to individuals, businesses and governmental agencies primarily in the Washington, D.C. metropolitan area.

The Company and CareFirst of Maryland, Inc. (CFMI) are both affiliates of a not-for-profit parent company, CareFirst, Inc. (CFI). These affiliates do business as CareFirst BlueCross BlueShield. The Company and CFMI also hold a 40% and 60% interest, respectively, in a health maintenance organization subsidiary, CareFirst BlueChoice, Inc. (CFBC). Since control over CFBC operations is vested in CFI, the Company has determined that neither the Company nor CFMI exercise control over CFBC.

Certain business has been written by CFMI and GHMSI which represents contracts outside the historic CFMI and GHMSI service areas (cross-jurisdictional sales). The Boards of CFI, CFMI and GHMSI approved redistribution of earnings between CFMI and GHMSI related to cross-jurisdictional sales. The income from operations from this cross-jurisdictional business would be transferred via a quota share reinsurance contract from the company that earned them to the company in whose service area they were earned. The Company received regulatory approval for these earnings redistributions, effective January 1, 2008.

The Boards of CFI, CFMI, and GHMSI have approved earnings redistributions to evenly share changes in the statutory surplus of CFBC. In 2008, the Boards approved in principle the creation of a new holding company, CareFirst Holdings, LLC. (CHC), which

NOTES TO FINANCIAL STATEMENTS

would be owned 50%/50% by CFMI and GHMSI, respectively. Following regulatory approval, the establishment of CHC would satisfy the earning redistributions of CFBC.

11. Debt

Not applicable.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Post-retirement Benefit Plans

No change.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

Change in net unrealized capital gains (losses) for the six months ending June 30, 2009:

Change in the unrealized gain/losses from:	Change
Affiliated Common Stocks:	
Blue Choice (40%)	\$ 7,955,155
NCIA	70,567
NCAS	(473,910)
Unaffiliated Common Stocks	3,480,616
Bonds & Preferred Stocks	(10,995,118)
Blue Venture	(226,448)
Total unrealized gains/loss	(189,138)
Capital Gains Deferred tax	2,630,075
Change in net unrealized capital gains	\$ 2,440,937
(losses) less capital gains tax (Page 5 Ln 36)	

14. Contingencies

Beginning in 1999, a series of class action lawsuits were filed against virtually all major entities in the health benefits business, including BCBSA and the BCBSA licensees. The suits allege that over a course of years the defendants have conspired to use criteria and standards for adjudication of provider claims that result in underpayment of provider claims. They allege that the defendants have been involved in a conspiracy to make false representations to providers and to conceal material information from providers about the manner in which claims are adjudicated. The Plaintiffs assert that the alleged misconduct violates the Racketeer Influenced and Corrupt Organizations Act (RICO). Plaintiffs seek treble damages and injunctive relief under RICO. The Company continues to maintain that the assertions made in this action are completely without foundation but, for entirely practical purposes, has reached an agreement in principle with the Plaintiffs. The court order related to this lawsuit was signed on April 19, 2008. The court order did not include a specific settlement date as an appeal was submitted by several physicians. In June 2009, the final court order was signed and the settlement was paid by the Company.

Effective November 2, 2006, the contract of the President and Chief Executive Officer (CEO) of CFI, CFMI and GHMSI was terminated by mutual agreement with the Boards of those various entities. The amount to be paid in severance, pension and other payments resulting from his separation is subject to review and approval by the MIA and may be subject to review and approval by the District of Columbia Department of Insurance, Securities and Banking. Pursuant to a hearing, the Insurance Commissioner for the State of Maryland allowed a portion of the proposed payment to the former President and CEO and disallowed the remainder. The former President and CEO has appealed the Insurance Commissioner's decision to the Circuit Court of Maryland. The former President and CEO is also maintaining an action against CFI to compel full payment under his contract. In 2008, the Company paid the amount authorized by the Maryland Insurance Commissioner.

In June 2008, the District of Columbia's City Council Committee on Public Services and Consumer Affairs (D.C. City Council) launched an investigation of and issued a subpoena to GHMSI and CFI regarding various items including the accumulation of statutory surplus, rate setting, executive compensation, and community benefits. CFI has responded to the D.C. City Council and is providing the information requested. In December 2008, the D.C. City Council passed legislation giving the District of Columbia's Insurance Commissioner authority to cap GHMSI's statutory reserves attributable to the District of Columbia and compel the offering of an expanded open enrollment product in the District of Columbia.

The Company has insureds that are qualified Medicare beneficiaries. The Centers for Medicare and Medicaid Services (CMS) has written rules that determine which of the Company's insureds medical claims should be paid first by CMS or the Company (primary payor) and then the portion of the claim that would be paid by the party not paying as primary payor (secondary payor). As a result of system errors, the Company incorrectly paid as the secondary payor on certain claims resulting in CMS paying as the primary payor. The issues were communicated to CMS in May 2009. As of June 30, 2009, the Company's liability to CMS has not been fully determined. In April 2009, corrective measures began to (1) correctly identify Medicare beneficiaries that should be paid primary and (2) modify software programs to correctly adjudicate claims to Medicare beneficiaries.

During 2008, the Company made a commitment to fund a limited partnership in the amount of \$7,500,000. The amount of the unfunded commitment was \$6,562,000 at June 30, 2009. The Company anticipates that the additional amount will be invested in the limited partnership over the next five years.

15. Leases

NOTES TO FINANCIAL STATEMENTS

No change.

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

Not applicable.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not Applicable.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

The results from operations of uninsured ASC plans and the uninsured portion of partially insured plans were as follows for the six-month periods ending June 30, 2009 and 2008 (in thousands):

	June 30, 2009	June 30, 2008
Gross reimbursement for medical costs incurred	\$ 541,210	\$ 489,858
Gross administrative fees accrued	39,169	33,168
Gross expenses incurred	(589,324)	(530,871)
Operating gain or (loss), before stop loss	(8,945)	(7,845)
Stop loss, net	4,377	5,273
Proforma operating gain or (loss)	\$ (4,568)	(2,572)

The stop loss amount reported represents stop loss written for the ASC business shown above. For the six months-ending June 30, 2009, GHMSI ceded an ASC underwriting loss of \$3,924,000 to CFMI and assumed an ASC underwriting loss of \$2,799,000 from CFMI for a net underwriting gain of \$1,125,000.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable.

20. Other Items

No change.

21. Events Subsequent

On July 22, 2009, the Company invested \$9,263,000 into National Accounts Service Corporation.

22. Reinsurance

Effective January 1, 2006, FirstCare, Inc. (FirstCare), a wholly-owned subsidiary of CFS Health Group, Inc. (CFS), which in turn is a wholly-owned subsidiary of CFMI, began serving as a plan sponsor offering Medicare Part D prescription drug insurance coverage under a contract with the Federal Centers for Medicare and Medicaid Services (CMS). Effective January 1, 2006, the Company entered into a quota-share reinsurance contract with FirstCare. The agreement relates to all Medicare Part D insurance policies written by FirstCare for individuals living in the Company’s service areas. Under the terms of the agreement, the Company assumes all underwriting risk on the business written in its service areas. Therefore, all revenue and expenses related to the Company’s members covered by the quota-share reinsurance contract are included in the accompanying statement of income and changes in capital and surplus—statutory basis for the six months ended June 30, 2009. The Company assumed risk premiums from FirstCare in the amount of \$4,195,000 and incurred an underwriting loss in the amount of \$353,000 for the six months ending June 30, 2009 as a result of the quota-share reinsurance contract with FirstCare.

The Company entered into a quota share cross-jurisdictional reinsurance agreement with CFMI, effective January 1, 2008 (see Note #10). For the six months ending June 30, 2009, the following amounts were assumed from and ceded to CFMI as a result of this reinsurance (*in thousands*):

	June 30, 2009
Premiums assumed	\$ 30,811
Premiums ceded	(203,189)
Premiums, net	(172,378)
Cost of care assumed	28,033
Cost of care ceded	(170,079)
Cost of care, net	(142,047)
General and administrative expenses ceded, net	(29,342)
Net loss assumed from CFMI	\$ (990)

Note: The amounts above include risk and non-risk business.

NOTES TO FINANCIAL STATEMENTS

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination

No change.

24. Change in Incurred Claims and Claim Adjustment Expenses

Reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years has decreased by \$24,762,000 from \$281,718,000 at December 31, 2008 to \$256,956,000 for the six months ending June 30, 2009 as a result of reestimation of unpaid claims and claim adjustment expenses. Original estimates are increased or decreased as additional information becomes known regarding individual claims

25. Intercompany Pooling Arrangements

Not applicable.

26. Structured Settlements

Not applicable.

27. Health Care Receivables

No change.

28. Participating Policies

Not applicable.

29. Premium Deficiency Reserve

Not applicable.

30. Salvage and Subrogation

No change.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior-year, end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [] No [X]
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes [] No []
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]
- 2.2

If yes, date of change:
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [X] No []

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes [] No [X] NA []

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2008
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2003
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/18/2005
- 6.4

By what department or departments?
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [] No [] NA [X]
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [X] No [] NA []
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [] No [X]
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes [X] No []
- 9.11

If the response to 9.1 is No, please explain:
.....
- 9.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).
.....

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [X] No []
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$0

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [] No [X]
- 11.2

If yes, give full and complete information relating thereto:
.....
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:\$0
13.

Amount of real estate and mortgages held in short-term investments:\$0
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] No []
- 14.2

If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$179,364,062	\$186,915,875
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$179,364,062	\$186,915,875
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$0	\$0

- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [] No []
- If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes [X] No []

16.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
SUNTRUST BANK.....	1445 NEW YORK AVE., WASHINGTON DC 20005.....

16.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes [] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
15958.....	VANGUARD.....	P.O. BOX 2900, VALLEY FORGE, PA. 19482-2900.....
104596.....	DODGE AND COX.....	55 CALIFORNIA ST., SAN FRANCISCO, CA. 94104.....
107105.....	BLACKROCK INVESTMENT ADVISORS.....	100 BELLEVUE PARKWAY, WASHINGTON DE 19809.....
10578.....	CALAMOS INVESTMENTS.....	1111 WARRENVILLE, NAPERVILLE, IL. 60563 - 1493.....

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes [X] No []

17.2 If no, list exceptions:

.....

SCHEDULE S - CEDED REINSURANCE

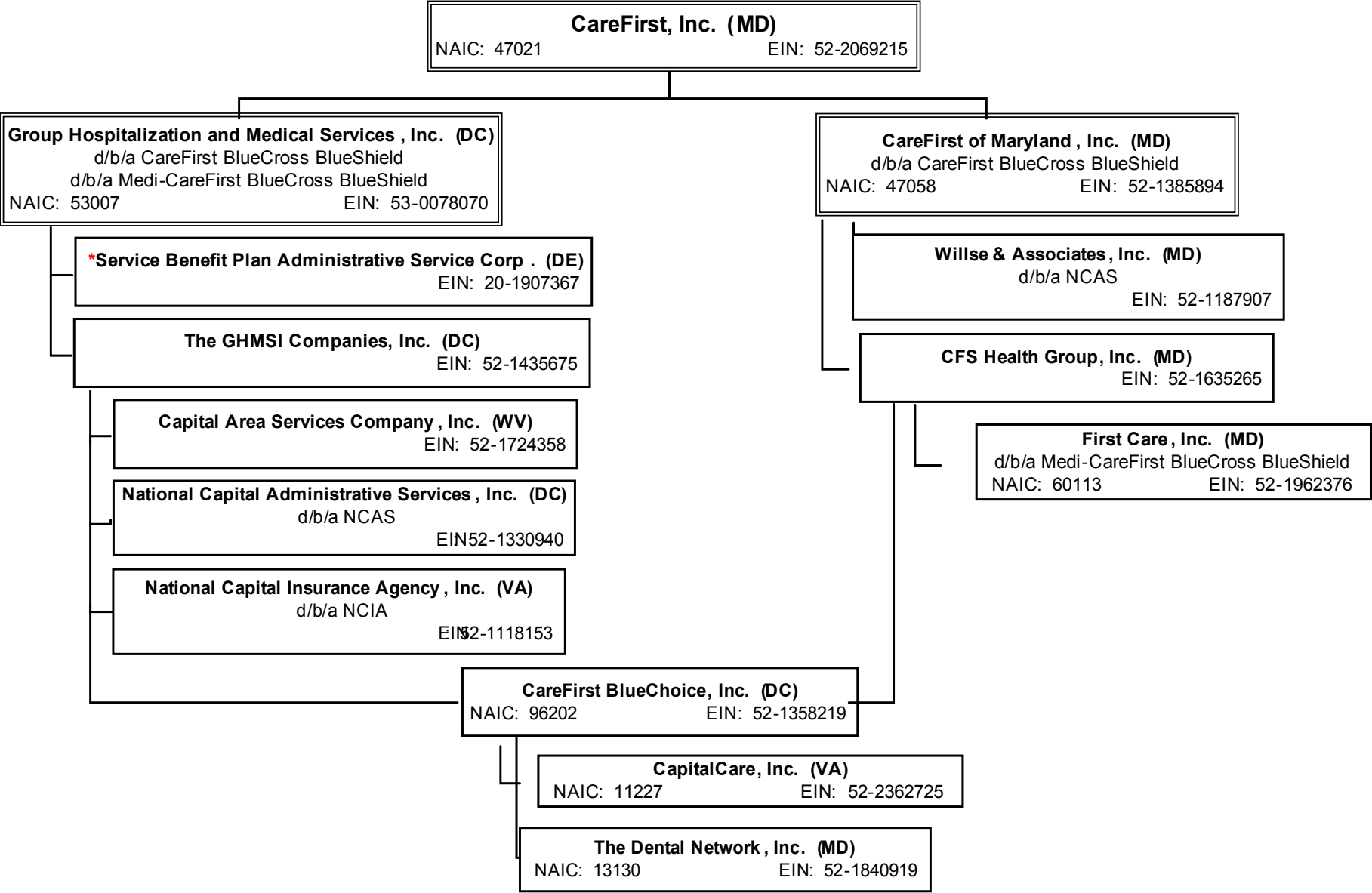
[illegible]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories										
States, Etc.	1	Direct Business Only								
		2	3	4	5	6	7	8	9	
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts	
1. Alabama	AL	N						0		
2. Alaska	AK	N						0		
3. Arizona	AZ	N						0		
4. Arkansas	AR	N						0		
5. California	CA	N						0		
6. Colorado	CO	N						0		
7. Connecticut	CT	N						0		
8. Delaware	DE	N						0		
9. Dist. of Columbia	DC	L	223,423,656		739,648,723			963,072,379		
10. Florida	FL	N						0		
11. Georgia	GA	N						0		
12. Hawaii	HI	N						0		
13. Idaho	ID	N						0		
14. Illinois	IL	N						0		
15. Indiana	IN	N						0		
16. Iowa	IA	N						0		
17. Kansas	KS	N						0		
18. Kentucky	KY	N						0		
19. Louisiana	LA	N						0		
20. Maine	ME	N						0		
21. Maryland	MD	L	378,474,275	464,292				378,938,567		
22. Massachusetts	MA	N						0		
23. Michigan	MI	N						0		
24. Minnesota	MN	N						0		
25. Mississippi	MS	N						0		
26. Missouri	MO	N						0		
27. Montana	MT	N						0		
28. Nebraska	NE	N						0		
29. Nevada	NV	N						0		
30. New Hampshire	NH	N						0		
31. New Jersey	NJ	N						0		
32. New Mexico	NM	N						0		
33. New York	NY	N						0		
34. North Carolina	NC	N						0		
35. North Dakota	ND	N						0		
36. Ohio	OH	N						0		
37. Oklahoma	OK	N						0		
38. Oregon	OR	N						0		
39. Pennsylvania	PA	N						0		
40. Rhode Island	RI	N						0		
41. South Carolina	SC	N						0		
42. South Dakota	SD	N						0		
43. Tennessee	TN	N						0		
44. Texas	TX	N						0		
45. Utah	UT	N						0		
46. Vermont	VT	N						0		
47. Virginia	VA	L	237,807,482	0	0			237,807,482		
48. Washington	WA	N						0		
49. West Virginia	WV	N						0		
50. Wisconsin	WI	N						0		
51. Wyoming	WY	N						0		
52. American Samoa	AS	N						0		
53. Guam	GU	N						0		
54. Puerto Rico	PR	N						0		
55. U.S. Virgin Islands	VI	N						0		
56. Northern Mariana Islands	MP	N						0		
57. Canada	CN	N						0		
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	
59. Subtotal	XXX		839,705,413	0	464,292	739,648,723	0	1,579,818,428	0	
60. Reporting entity contributions for Employee Benefit Plans	XXX							0		
61. Total (Direct Business)	(a)	3	839,705,413	0	464,292	739,648,723	0	1,579,818,428	0	
DETAILS OF WRITE-INS										
5801.	XXX							0		
5802.	XXX							0		
5803.	XXX							0		
5898. Summary of remaining write-ins for Line 58 from overflow page.	XXX		0	0	0	0	0	0	0	
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX		0	0	0	0	0	0		

(a) Insert the number of L responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

*Service Benefit Plan Administrative Services Corporation is owned 90% by Group Hospitalization and Medical Services, Inc. and 10% by the Blue Cross and Blue Shield Association.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

.....YES.....

Explanation:

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		0
2.2. Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted accounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	672,701	166,667
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		75,000
2.2. Additional investment made after acquisition	432,250	431,034
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)	(226,448)	0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	878,503	672,701
12. Deduct total nonadmitted amounts	166,667	166,667
13. Statement value at end of current period (Line 11 minus Line 12)	711,836	506,034

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	900,648,872	957,517,259
2. Cost of bonds and stocks acquired	254,907,009	1,167,795,491
3. Accrual of discount	1,914,303	1,558,517
4. Unrealized valuation increase (decrease)	(64,563)	(11,818,720)
5. Total gain (loss) on disposals	9,653,927	11,714,715
6. Deduct consideration for bonds and stocks disposed of	316,544,529	1,182,268,273
7. Deduct amortization of premium	1,241,306	1,806,980
8. Total foreign exchange change in book/adjusted carrying value		(400,500)
9. Deduct current year's other than temporary impairment recognized	4,233,727	41,642,637
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	845,039,986	900,648,872
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	845,039,986	900,648,872

STATEMENT AS OF JUNE 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	552,672,726	172,590,349	127,221,465	(20,462,040)	552,672,726	577,579,570	0	589,007,099
2. Class 2 (a).....	126,897,211	13,521,443	13,616,814	(9,934,588)	126,897,211	116,867,252	0	105,053,058
3. Class 3 (a).....	6,697,874		582,006	7,359,327	6,697,874	13,475,195	0	11,637,566
4. Class 4 (a).....	701,948		465,523	8,760,515	701,948	8,996,940	0	4,475,250
5. Class 5 (a).....	10,612,974		464,897	4,445,219	10,612,974	14,593,296	0	1,527,919
6. Class 6 (a).....	6,188,079		820,286	468,597	6,188,079	5,836,390	0	5,583,075
7. Total Bonds	703,770,812	186,111,792	143,170,991	(9,362,970)	703,770,812	737,348,643	0	717,283,967
PREFERRED STOCK								
8. Class 1	787,281			150,594	787,281	937,875	0	2,604,473
9. Class 2	2,420,389	1,300,143		127,132	2,420,389	3,847,664	0	1,719,179
10. Class 3	1,057,189		849,000	138,639	1,057,189	346,828	0	1,061,750
11. Class 4	0				0	0	0	0
12. Class 5	0				0	0	0	0
13. Class 6	0				0	0	0	0
14. Total Preferred Stock.....	4,264,859	1,300,143	849,000	416,365	4,264,859	5,132,367	0	5,385,402
15. Total Bonds & Preferred Stock	708,035,671	187,411,935	144,019,991	(8,946,605)	708,035,671	742,481,010	0	722,669,369

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$; NAIC 2 \$;
NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

SCHEDULE DA - PART 1
Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	157,993,713	XXX	157,993,713	196,701	

SCHEDULE DA - VERIFICATION
Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	105,823,496	86,001,637
2. Cost of short-term investments acquired	185,932,255	315,755,177
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals	133,762,039	295,933,318
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	157,993,712	105,823,496
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	157,993,712	105,823,496

Schedule DB - Part F - Section 1
NONE

Schedule DB - Part F - Section 2
NONE

Schedule E - Verification
NONE

Schedule A - Part 2
NONE

Schedule A - Part 3
NONE

Schedule B - Part 2
NONE

Schedule B - Part 3
NONE

Schedule BA - Part 2
NONE

Schedule BA - Part 3
NONE

STATEMENT AS OF JUNE 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator ^(a)
Bonds - U.S. Governments									
31398A-YB-2	FEDERAL NATL MTG ASSN		06/04/2009	Various		344,422	350,000		1
912810-EL-8	UNITED STATES TREAS BDS		06/04/2009	Various		741,813	550,000	2,511	1
912810-FE-3	UNITED STATES TREAS BDS		06/26/2009	Various		1,182,563	1,020,000	20,766	1
912810-FT-0	UNITED STATES TREAS BDS		05/01/2009	Various		7,418,906	7,000,000	71,354	1
912810-PX-0	UNITED STATES TREAS BDS		05/06/2009	Various		305,260	285,000	6,194	1
912810-QA-9	UNITED STATES TREAS BDS		06/11/2009	VARIOUS		19,174,548	20,250,000	133,723	1
912828-CV-0	UNITED STATES TREAS NTS		04/09/2009	Various		2,025,397	2,000,000	5,686	1
912828-HX-1	UNITED STATES TREAS NTS		05/07/2009	Various		1,015,667	1,000,000	693	1
912828-JC-5	UNITED STATES TREAS NTS		06/15/2009	Barclays Capital		2,047,663	2,000,000	26,844	1
912828-KD-1	UNITED STATES TREAS NTS		06/15/2009	VARIOUS		2,486,206	2,540,000	13,567	1
912828-KN-9	UNITED STATES TREAS NTS		05/15/2009	Barclays Capital		323,084	325,000	331	1
912828-KQ-2	UNITED STATES TREAS NTS		06/16/2009	VARIOUS		5,401,468	5,540,000	5,541	1
912828-KY-5	US TREAS 2.750% 6/30/		06/29/2009	Barclays Capital		1,759,434	1,750,000		1
039999 - Total - Bonds - U.S. Government						44,226,431	44,610,000	287,210	XXX
Bonds - All Other Government									
683234-8A-9	ONTARIO PROV CDA		06/09/2009	Various		299,799	300,000		1FE
109999 - Total - Bonds - All Other Government						299,799	300,000	0	XXX
Bonds - U.S. States, Territories and Possessions									
13063A-4Y-7	CALIFORNIA ST GO		04/13/2009	Various		275,000	275,000	688	1FE
13063A-5C-4	CALIFORNIA ST GO		04/22/2009	Various		553,399	550,000		1FE
13063A-5D-2	CALIFORNIA ST GO		04/22/2009	Various		75,380	75,000		1FE
13063A-5E-0	CALIFORNIA ST GO		04/22/2009	Various		1,309,555	1,300,000		1FE
13063A-5F-7	CALIFORNIA ST GO		04/22/2009	Various		301,281	300,000		1FE
13063A-5G-5	CALIFORNIA ST GO		04/22/2009	Various		1,469,952	1,450,000		1FE
179999 - Totals - Bonds - U.S. States, Territories and Possessions						3,984,567	3,950,000	688	XXX
Bonds - U.S. Special Revenue									
31368H-LZ-4	FMMA PASS-THRU LNG 30 YEAR		05/21/2009	Various		5,645,860	5,345,193	8,909	1
31416C-EZ-5	FMMA POOL #995752 4.500% 5/01/		05/01/2009	Chase Securities		1,251,285	1,230,000	2,153	1
59259N-ZH-9	METROPOLITAN TRANSN AUTH N Y D DED		04/23/2009	Various		275,000	275,000		1FE
646139-W3-5	NEW JERSEY ST TPK AUTH TPK REV TPK		04/20/2009	Various		125,000	125,000		1FE
646136-WY-9	NEW JERSEY ST TRANSN TR FD AUT TRA		05/28/2009	Various		73,803	75,000		1FE
319999 - Totals - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions						7,370,948	7,050,193	11,062	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
00440E-AM-9	ACE INA HLDG INC		06/03/2009	Various		74,285	75,000		1FE
01741R-AD-4	ALLEGHENY TECHNOLOGIES INC		06/26/2009	Various		1,943,640	1,750,000	2,385	2FE
020002-AW-1	ALLSTATE CORP		05/11/2009	Barclays Capital		174,753	175,000		1FE
020002-AX-9	ALLSTATE CORP		05/11/2009	Barclays Capital		174,524	175,000		1FE
025816-BB-4	AMERICAN EXPRESS CO		06/02/2009	Various		106,131	100,000	384	1FE
03760A-AK-7	APOGENT TECHNOLOGIES INC		04/17/2009	Various		458,255	350,000	26	2FE
00206R-AR-3	AT&T INC 5.800% 2/15/		06/02/2009	Various		103,818	100,000	1,966	1FE
06051G-DY-2	BANK AMER FDG CORP		05/08/2009	Various		174,029	175,000		1FE
06051G-DZ-9	BANK AMER FDG CORP		06/02/2009	Various		102,639	100,000	64	1FE
06406H-BM-0	BANK NEW YORK MTN BK ENT		05/06/2009	Various		275,740	275,000		1FE
14040H-AM-7	CAPITAL ONE FINL CORP		05/19/2009	Various		63,788	70,000	1,829	2FE
14040H-AS-4	CAPITAL ONE FINL CORP		05/19/2009	Various		129,364	130,000		2FE
20030N-AW-1	COMCAST CORP NEW		06/08/2009	Various		99,732	100,000	412	2FE
20825C-AR-5	CONOCOPHILLIPS		04/16/2009	Various		569,498	550,000	6,852	1FE
22546Q-AA-5	CREDIT SUISSE NEW YORK BRANCH		04/28/2009	Various		324,665	325,000		1FE
126408-GM-9	CSX CORP		06/05/2009	Various		19,511	20,000	295	2FE
126408-GQ-0	CSX CORP		06/05/2009	VARIOUS		83,773	80,000	2,294	2FE
235851-AF-9	DANAHER CORP ZERO COUPON		04/24/2009	Various		299,605	325,000		1FE
298785-EY-8	EUROPEAN INVT BK		05/27/2009	Various		761,963	765,000		1FE
418056-AN-7	HASBRO INC		05/15/2009	Various		710,610	600,000	7,746	2FE
45687A-AA-0	INGERSOLL-RAND GLOBAL HLDG CO		06/10/2009	Various		97,221	100,000	2,292	2FE
4581X0-BF-4	INTER AMERICAN DEVEL 1.500% 6/23/		06/16/2009	Various		749,438	750,000		1FE
459902-AQ-5	INTERNATIONAL GAME TECHNOLOGY		05/22/2009	Various		1,429,173	1,350,000	1,024	2FE
459902-AR-3	INTERNATIONAL GAME TECHNOLOGY		06/10/2009	Various		99,453	100,000		2FE
46625H-GY-0	JP MORGAN CHASE & CO		04/08/2009	Various		398,536	400,000	5,671	1FE

STATEMENT AS OF JUNE 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator ^(a)
46625H-HL-7	JPMORGAN CHASE & CO.		04/16/2009	Various		424,409	425,000		1FE
46625H-HN-3	JPMORGAN CHASE & CO.		05/13/2009	Various		573,816	575,000		1FE
585055-AM-8	MEDTRONIC INC.		04/22/2009	Various		581,780	650,000	302	1FE
59156R-AT-5	METLIFE INC.		06/09/2009	Various		105,568	100,000	2,508	1FE
60871R-AA-8	MOLSON COORS BREWING CO.		05/18/2009	VARIOUS		812,131	750,000	5,754	2FE
651639-AH-9	NEWMONT MNG CORP 1.250% 7/15/		04/15/2009	Various		488,263	425,000	1,402	2FE
652478-AV-0	NEWS AMER HLDGS INC.		06/10/2009	Various		36,875	35,000	1,385	2FE
652482-AX-8	NEWS AMER INC.		06/10/2009	Various		36,526	40,000	127	2FE
652482-BR-0	NEWS AMER INC.		06/08/2009	Various		99,742	100,000	2,256	2FE
654902-AC-9	NOKIA CORP SR UNSEC 6.625% 5/15/		04/30/2009	Barclays Capital		198,988	200,000		1FE
655664-AM-2	NORDSTROM INC.		05/20/2009	Various		298,902	300,000		2FE
758202-AF-2	REED ELSEVIER CAP INC.		05/20/2009	Various		769,000	725,000	20,290	2FE
758202-AG-0	REED ELSEVIER CAP INC.		06/22/2009	Barclays Capital		1,014,048	900,000	34,284	2FE
83238P-AA-2	SMITHS GROUP PLC		06/10/2009	Various		216,914	225,000	1,172	2FE
833656-AF-8	SOCIETE DE FINANCEMENT DE L EC.		06/02/2009	Various		398,780	400,000		1FE
857477-AE-3	STATE STR CORP.		05/19/2009	Various		74,929	75,000		1FE
85771S-AA-4	STATOILHYDRO ASA		04/16/2009	Various		124,761	125,000		1FE
88732J-AP-3	TIME WARNER CABLE INC.		06/04/2009	Various		675,227	600,000	15,920	2FE
893830-AW-9	TRANSOCEAN INC.		06/09/2009	Various		2,824,013	3,200,000	23,480	2FE
89417E-AF-6	TRAVELERS COMPANIES INC.		05/28/2009	Various		99,560	100,000		1FE
902118-BL-1	TYCO INTL GROUP S A		06/09/2009	Various		163,313	150,000	5,419	2FE
91159H-GR-5	U S BANCORP MTNS BK ENT.		05/11/2009	Various		249,955	250,000		1FE
91324P-BH-4	UNITEDHEALTH GROUP INC.		04/03/2009	Various		951,970	1,000,000	7,177	2FE
92343V-AV-6	VERIZON COMMUNICATIONS INC.		06/02/2009	Various		106,373	100,000	1,199	1FE
92857W-AS-9	VODAFONE GROUP PLC NEW		06/03/2009	Various		174,547	175,000		1FE
92976W-BH-8	WACHOVIA CORP GLOBAL MTN		06/08/2009	Various		118,651	125,000	2,595	1FE
135143-AZ-8	CANADA MTG & HSG CORP.		06/12/2009	various		533,825	500,000	7,361	1FE
3899999 - Totals - Bonds - Industrial and Miscellaneous (Unaffiliated)						21,577,010	21,190,000	165,871	XXX
8399997 - Subtotals- Bonds - Part 3						77,458,755	77,100,193	464,831	XXX
8399999 - Subtotals - Bonds						77,458,755	77,100,193	464,831	XXX
Preferred Stocks - Industrial and Miscellaneous									
759351-30-7	REINSURANCE GROUP AMER INC.		04/16/2009	Various	23,190,000	1,041,521	50.00		RP2LFE
806605-70-5	SCHERING PLOUGH CORP.		06/24/2009	Various	1,200,000	258,623			P2LFE
8499999 - Total - Preferred Stocks - Industrial, Misc.						1,300,144	XXX	0	XXX
8999997 - Subtotals - Preferred Stocks - Part 3						1,300,144	XXX	0	XXX
8999999 - Subtotals - Preferred Stocks						1,300,144	XXX	0	XXX
Common Stocks - Industrial and Miscellaneous									
872540-10-9	TJX COS INC NEW		05/04/2009	Various	104,534,400	3,016,000			L
9099999 - Total - Common Stocks - Industrial, Misc.						3,016,000	XXX	0	XXX
9799997 - Subtotals - Common Stocks - Part 3						3,016,000	XXX	0	XXX
9799999 - Subtotals - Common Stocks						3,016,000	XXX	0	XXX
9899999 - Subtotals- Preferred and Common Stocks						4,316,144	XXX	0	XXX
9999999 Totals						81,774,899	XXX	464,831	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

STATEMENT AS OF JUNE 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
3133XK-KW-4...	FEDERAL HOME LN BKS		06/10/2009	VARIOUS		752,212	730,000	737,147	736,802		(420)		(420)		736,381		15,830	15,830	23,369	11/03/2014	1
3137EA-BP-3...	FEDERAL HOME LN MTG CORP		04/08/2009	VARIOUS		773,539	700,000	775,382	774,901	(1,806)			(1,806)		773,095		444	444	10,996	06/13/2018	1
3137EA-BS-7...	FEDERAL HOME LN MTG CORP		04/02/2009	VARIOUS		242,084	225,000	224,507	224,539	22			22		224,561		17,523	17,523	5,749	09/27/2013	1
31359M-XX-6...	FEDERAL NATL MTG ASSN		06/09/2009	Barclays Capital		318,078	300,000	298,479	298,710	79			79		298,789		19,289	19,289	11,583	03/02/2015	1
	GNMA PASS-THRU M ADJ																				
36225E-BM-3...	HYBRID		06/20/2009	PRINCIPAL RECEIPT		23,035	23,035	22,236	22,251		785		785		23,035			0	454	02/20/2037	1
	GNMA PASS-THRU M SINGLE																				
36202E-E9-6...	FAMILY		06/20/2009	PRINCIPAL RECEIPT		976	976	993	993	(18)			(18)		976			0	23	09/20/2035	1
	GNMA PASS-THRU M SINGLE																				
36202E-QZ-5...	FAMILY		06/20/2009	PRINCIPAL RECEIPT		41,182	41,182	41,028	41,028	154			154		41,182			0	957	01/20/2038	1
	GNMA PASS-THRU X SINGLE																				
36295N-A6-4...	FAMILY		06/15/2009	PRINCIPAL RECEIPT		98,354	98,354	98,846	98,850	(496)			(496)		98,354			0	2,165	02/15/2038	1
	GNMA POOL #780836																				
36225A-4V-9...	8.25% 4/15/		06/15/2009	PRINCIPAL RECEIPT		7,815	7,815	8,301	8,164	(350)			(350)		7,815			0	253	04/15/2020	1
	SMALL BUS ADMIN GTD DEV																				
83162C-LX-9...	PTC		06/01/2009	CALLED @ 100.0000000		36,695	36,695	37,954	37,783	(1,088)			(1,088)		36,695			0	1,069	12/01/2021	1
	SMALL BUS ADMIN GTD DEV																				
83162C-QG-1...	PTC		05/01/2009	Credit Suisse First Bosto		63,560	63,560	66,142	65,747	(70)			(70)		65,677		(2,117)	(2,117)	1,873	05/01/2026	1
	SMALL BUS ADMIN GTD DEV																				
83162C-QH-9...	PTC		06/01/2009	CALLED @ 100.0000000		41,432	41,432	41,432	41,432	0			0		41,432			0	1,227	06/01/2026	1
912810-EL-8...	UNITED STATES TREAS BDS		06/16/2009	VARIOUS		742,328	550,000	738,733	471,784	(2,891)			(2,891)		718,412		23,917	23,917	18,546	11/15/2021	1
912810-PT-9...	UNITED STATES TREAS BDS		04/23/2009	VARIOUS		86,525	75,000	77,710	77,686	(15)			(15)		77,672		8,853	8,853	2,490	02/15/2037	1
912810-PU-6...	UNITED STATES TREAS BDS		04/30/2009	VARIOUS		88,800	75,000	80,177	80,143	(28)			(28)		80,114		8,686	8,686	1,827	05/15/2037	1
912810-PW-2...	UNITED STATES TREAS BDS		04/23/2009	VARIOUS		54,652	50,000	53,512	53,504	(20)			(20)		53,485		1,168	1,168	1,529	02/15/2038	1
912810-PX-0...	UNITED STATES TREAS BDS		05/06/2009	VARIOUS		69,755	65,000	69,763		0			0		69,763		(8)	(8)	2,535	05/15/2038	1
912810-QA-9...	UNITED STATES TREAS BDS		04/21/2009	VARIOUS		9,650,000	10,000,000	9,544,140	224	(25,999)			(25,999)		9,544,364		105,636	105,636	65,746	02/15/2039	1
912828-CL-2...	UNITED STATES TREAS NTS		06/15/2009	MATURITY		1,950,000	1,950,000	1,983,516	1,975,999	0			0		1,950,000			0	39,000	06/15/2009	1
912828-ES-5...	UNITED STATES TREAS NTS		06/22/2009	VARIOUS		5,256	5,000	4,997	4,999	0			0		4,999		257	257	201	01/15/2011	1
912828-HX-1...	UNITED STATES TREAS NTS		04/22/2009	VARIOUS		3,504,838	3,450,000	3,526,019	3,521,437	(16,443)			(16,443)		3,504,994		(156)	(156)	56,387	04/30/2010	1
912828-JH-4...	UNITED STATES TREAS NTS		05/14/2009	VARIOUS		172,676	160,000	163,600	163,515	(107)			(107)		163,408		9,268	9,268	1,988	08/15/2018	1
912828-JR-2...	UNITED STATES TREAS NTS		06/22/2009	VARIOUS		185,960	185,000	206,159	206,159	(869)			(869)		205,291		(19,330)	(19,330)	4,242	11/15/2018	1
912828-KD-1...	UNITED STATES TREAS NTS		05/13/2009	VARIOUS		1,550,904	1,580,000	1,560,360	298				298		1,660,658		(9,754)	(9,754)	8,767	02/15/2019	1
912828-KN-9...	UNITED STATES TREAS NTS		06/09/2009	VARIOUS		320,609	325,000	323,084	7				7		323,091		(2,482)	(2,482)	393	04/30/2014	1
912828-KQ-2...	UNITED STATES TREAS NTS		06/26/2009	VARIOUS		4,135,366	4,310,000	4,224,425	525				525		4,224,949		(89,583)	(89,583)	12,031	05/15/2019	1
83162C-JX-2...	US SMALL BUS ADMIN 99-200		04/01/2009	PRINCIPAL RECEIPT		23,519	23,519	23,519	23,519	0			0		23,519			0	738	04/01/2019	1
	US SMALL BUS ADMIN GTD																				
83162C-JR-5...	98-20L		06/01/2009	PRINCIPAL RECEIPT		21,465	21,465	21,465	21,465	0			0		21,465			0	623	12/01/2018	1
	US SMALL BUS ADMIN GTD																				
83162C-HM-8...	DB97-20E		05/01/2009	MLPF&S Fixed Income Ops		8,679	8,679	8,679	8,679	0			0		8,679			0	317	05/01/2017	1
	US SMALL BUS ADMIN GTD																				
83162C-JF-1...	DEV 98-20E		05/01/2009	PRINCIPAL RECEIPT		28,873	28,873	29,307	29,200	(327)			(327)		28,873			0	909	05/01/2018	1
912810-EQ-7...	US Treasury 6.25%		04/30/2009	VARIOUS		218,660	175,000	222,708	(579)				(579)		222,129		(3,469)	(3,469)	7,856	08/15/2023	1
0399999 - Totals - Bonds - U.S. Governments						25,217,827	25,305,585	25,214,320	8,783,130	0	(49,432)	0	(49,432)	0	25,133,857	0	83,972	83,972	285,843	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
13063A-4Y-7...	CALIFORNIA ST GO		04/20/2009	VARIOUS		284,614	275,000	275,000					0		275,000		9,614	9,614	1,004	04/01/2038	1FE
1799999 - Totals - Bonds - U.S. States, Territories and Possessions						284,614	275,000	275,000	0	0	0	0	0	0	275,000	0	9,614	9,614	1,004	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
432337-BQ-5...	HILLSBOROUGH CNTY FLA SCH DIST SAL		05/19/2009	VARIOUS		741,150	675,000	725,058	722,782	(1,068)			(1,068)		721,714		19,436	19,436	23,280	10/01/2021	1FE
2499999 - Totals - Bonds - Political Subdivisions of States, Territories and Possessions						741,150	675,000	725,058	722,782	0	(1,068)	0	(1,068)	0	721,714	0	19,436	19,436	23,280	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
31403D-DB-2...	FEDERAL NATL MTG AS 6.000% 6/01/		06/25/2009	PRINCIPAL RECEIPT		67,100	67,100	67,755	67,717		(617)		(617)		67,100			0	1,666	06/01/2035	1
	FHLMC GOLD #A50457																				
3128KC-QJ-9...	6.000% 7/01/		06/15/2009	PRINCIPAL RECEIPT		29,244	29,244	28,654	28,662	581			581		29,244			0	739	07/01/2036	1
31292H-GP-3...	FHLMC GOLD POOL #C01106		06/15/2009	PRINCIPAL RECEIPT		927	927	938	938	(11)			(11)		927			0	27	12/01/2030	1
31294J-KE-7...	FHLMC GOLD POOL #E0Q293		04/15/2009	PRINCIPAL RECEIPT		2,340	2,340	2,412	2,339	1			1		2,340			0	55	04/01/2009	1
31283K-F7-8...	FHLMC GOLD POOL #G11090		06/15/2009	PRINCIPAL RECEIPT		25,675	25,675	26,617	26,186	(511)			(511)		25,675			0	635	02/01/2015	1
	FHLMC PC 1YR																				
3128JM-BB-2...	LIBOR VR		06/15/2009	PRINCIPAL RECEIPT		296,040	296,040	288,176	288,228	7,812			7,812		296,040			0	5,381	08/01/2034	1
	FHLMC PC GOLD																				
3128MT-6K-9...	10/20 1L		06/15/2009	PRINCIPAL RECEIPT		70,028	70,028	70,936	70,925	(897)			(897)		70,028			0	1,844	09/01/2037	1

STATEMENT AS OF JUNE 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
3128UN-CE-0...	FHLMC PC GOLD 10/20 11		06/15/2009	PRINCIPAL RECEIPT		93,745	93,745	95,107	95,102		(1,358)		(1,358)		93,745			0	2,467	09/01/2037	1
31294L-PZ-0...	FHLMC PC GOLD CASH 15		06/15/2009	PRINCIPAL RECEIPT		267,176	267,176	271,643	271,024		(3,848)		(3,848)		267,176			0	6,249	12/01/2016	1
31268B-6V-0...	FHLMC PC GOLD CASH 30		06/15/2009	PRINCIPAL RECEIPT		396,351	396,351	401,925	401,811		(5,460)		(5,460)		396,351			0	9,658	11/01/2032	1
3126MB-EG-8...	FHLMC PC GOLD COMB 15		06/15/2009	PRINCIPAL RECEIPT		196,857	196,857	197,618	197,553		(696)		(696)		196,857			0	4,470	03/01/2022	1
312964-TT-6...	FHLMC PC GOLD COMB 15		06/15/2009	PRINCIPAL RECEIPT		12,881	12,881	12,937	12,926		(45)		(45)		12,881			0	296	02/01/2019	1
31263H-6C-4...	FHLMC PC GOLD COMB 30		06/15/2009	PRINCIPAL RECEIPT		240,112	240,112	244,726	244,667		(4,555)		(4,555)		240,112			0	6,471	12/01/2032	1
31263H-6D-2...	FHLMC PC GOLD COMB 30		06/15/2009	PRINCIPAL RECEIPT		109,116	109,116	111,546	111,486		(2,370)		(2,370)		109,116			0	2,998	12/01/2031	1
3126KT-L3-2...	FHLMC PC GOLD COMB 30		06/15/2009	PRINCIPAL RECEIPT		38,491	38,491	38,918	38,918		(428)		(428)		38,491			0	946	07/01/2037	1
3126M5-HJ-2...	FHLMC PC GOLD COMB 30		06/15/2009	PRINCIPAL RECEIPT		56,897	56,897	57,448	57,449		(552)		(552)		56,897			0	1,422	06/01/2036	1
3126M6-EF-1...	FHLMC PC GOLD COMB 30		06/15/2009	PRINCIPAL RECEIPT		24,461	24,461	23,210	23,213		1,248		1,248		24,461			0	517	04/01/2038	1
3126M6-RL-4...	FHLMC PC GOLD COMB 30		06/15/2009	PRINCIPAL RECEIPT		51,190	51,190	48,759	48,755		2,436		2,436		51,190			0	1,085	06/01/2038	1
312927-6H-4...	FHLMC PC GOLD COMB 30		06/30/2009	VARIOUS		302,149	284,855	298,920		(435)			(435)		298,484		3,664	3,664	8,360	09/01/2038	1
312929-CN-0...	FHLMC PC GOLD COMB 30		06/15/2009	PRINCIPAL RECEIPT		21,818	21,818	21,283	21,279		540		540		21,818			0	546	11/01/2038	1
31297H-FF-1...	FHLMC PC GUAR ADJ COMB 30		06/15/2009	PRINCIPAL RECEIPT		7,258	7,258	7,347	7,348		(90)		(90)		7,258			0	181	12/01/2034	1
31349S-C9-2...	FHLMC PC 11 HYBRD 30YR		06/15/2009	PRINCIPAL RECEIPT		118,991	118,991	115,119	115,118		3,873		3,873		118,991			0	2,181	10/01/2033	1
3126NC-LA-0...	ARM FHLMC PC 11 HYBRD		06/15/2009	PRINCIPAL RECEIPT		107,620	107,620	106,026	106,034		1,586		1,586		107,620			0	2,222	09/01/2035	1
3126NH-VA-8...	ARM FHLMC PC 11 HYBRD		06/15/2009	PRINCIPAL RECEIPT		477,329	477,329	488,293	488,523		(11,194)		(11,194)		477,329			0	11,878	11/01/2036	1
31290K-VZ-9...	FHLMC POOL #555132		06/15/2009	PRINCIPAL RECEIPT		1,124	1,124	1,146	1,145		(21)		(21)		1,124			0	40	07/01/2020	1
31340W-UW-3...	FHLMC POOL# 181497		06/15/2009	PRINCIPAL RECEIPT		488	488	488	488		4		4		488			0	14	12/01/2009	1
313316-5S-6...	FHLMC REMIC 1832 F 6.5%		06/15/2009	PRINCIPAL RECEIPT		101,061	101,061	99,747	101,339		(277)		(277)		101,061			0	2,739	03/15/2011	1
31393M-EF-4...	FHLMC REMIC SERIES 2591		04/27/2009	VARIOUS		10,742,813	10,500,000	9,548,438	9,632,738		20,077		20,077		9,652,815		1,089,998	1,089,998	217,292	10/15/2032	1
31397P-5M-8...	FHLMC REMIC SERIES 3389		06/15/2009	PRINCIPAL RECEIPT		396,207	396,207	400,169	400,056		(3,849)		(3,849)		396,207			0	10,071	12/15/2035	1
31392W-7B-0...	FHLMC REMIC SERIES T-051		06/25/2009	PRINCIPAL RECEIPT		13,964	13,964	14,174	16,480		(2,515)		(2,515)		13,964			0	383	09/25/2043	1
31392M-EM-0...	FHLMC REMIC SERIES T0041		06/25/2009	PRINCIPAL RECEIPT		5,792	5,792	6,016	5,787		5		5		5,792			0	179	07/25/2032	1
31392D-P9-7...	FNMA 2002-W8 A2 7%		06/25/2009	PRINCIPAL RECEIPT		6,468	6,468	6,786	6,506		(38)		(38)		6,468			0	185	06/25/2042	1
31359S-R6-9...	FNMA GR TR SERIES 2001-T4 CI A		06/25/2009	PRINCIPAL RECEIPT		9,285	9,285	9,579	9,382		(97)		(97)		9,285			0	282	07/25/2028	1
31392F-DC-8...	FNMA GRANTOR TRUST 2002-T16		06/25/2009	PRINCIPAL RECEIPT		50,042	50,042	51,293	51,290		(1,248)		(1,248)		50,042			0	1,499	07/25/2042	1
31409U-WM-3...	FNMA PASS-THRU ADJ LIBOR		06/25/2009	PRINCIPAL RECEIPT		42,270	42,270	42,630	42,633		(362)		(362)		42,270			0	939	11/01/2035	1
31411N-P5-0...	FNMA PASS-THRU ADJ LIBOR		06/25/2009	PRINCIPAL RECEIPT		33,187	33,187	33,125	33,124		63		63		33,187			0	719	02/01/2037	1
31381D-YY-5...	FNMA PASS-THRU GNM-BK MGA 30		06/25/2009	PRINCIPAL RECEIPT		1,573	1,573	1,594	1,590		(17)		(17)		1,573			0	48	05/20/2023	1
31405F-D5-8...	FNMA PASS-THRU GOV SINGLE FAM		06/25/2009	PRINCIPAL RECEIPT		716	716	754	753		(38)		(38)		716			0	21	10/01/2032	1
31385W-5T-2...	FNMA PASS-THRU INT 15 YEAR		06/25/2009	PRINCIPAL RECEIPT		161,342	161,342	164,291	163,883		(2,541)		(2,541)		161,342			0	4,063	12/01/2017	1
31391C-5F-8...	FNMA PASS-THRU INT 15 YEAR		06/25/2009	PRINCIPAL RECEIPT		6,637	6,637	6,625	6,624		13		13		6,637			0	162	09/01/2017	1
31391U-4Q-5...	FNMA PASS-THRU INT 15 YEAR		06/25/2009	PRINCIPAL RECEIPT		1,242	1,242	1,240	1,240		2		2		1,242			0	30	02/01/2018	1
31402C-RT-1...	FNMA PASS-THRU INT 15 YEAR		06/25/2009	PRINCIPAL RECEIPT		300,687	300,687	302,566	302,261		(1,574)		(1,574)		300,687			0	6,944	12/01/2018	1
31402R-D2-2...	FNMA PASS-THRU INT 15 YEAR		06/25/2009	PRINCIPAL RECEIPT		10,144	10,144	10,118	10,117		26		26		10,144			0	232	03/01/2020	1
31403C-Z2-3...	FNMA PASS-THRU INT 15 YEAR		06/25/2009	PRINCIPAL RECEIPT		6,164	6,164	6,144	6,144		21		21		6,164			0	139	06/01/2020	1

STATEMENT AS OF JUNE 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi- fication	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig- nation or Market Indicator (a)
31403D-DK-2..	FNMA PASS-THRU INT 15 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		250,969	250,969	255,517	255,182		(4,214)		(4,214)		250,969			.0	6,203	03/01/2021..	1..
31403R-KJ-6..	FNMA PASS-THRU INT 15 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		1,990	1,990	1,985	1,985		.5		.5		1,990			.0	.45	11/01/2018..	1..
31410G-SQ-2..	FNMA PASS-THRU INT 15 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		38,151	38,151	39,342			(1,191)		(1,191)		38,151			.0	.641	03/01/2023..	1..
31410U-S2-9..	FNMA PASS-THRU INT 15 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		191,072	191,072	193,916	193,737		(2,665)		(2,665)		191,072			.0	4,650	08/01/2021..	1..
31411A-JN-6..	FNMA PASS-THRU INT 15 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		254,017	254,017	258,065	257,904		(3,888)		(3,888)		254,017			.0	6,723	11/01/2021..	1..
31414K-TE-0..	FNMA PASS-THRU INT 15 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		66,864	66,864	66,710	66,712		.153		.153		66,864			.0	1,359	01/01/2023..	1..
31414U-AQ-1..	FNMA PASS-THRU INT 15 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		5,121	5,121	5,109	5,110		.12		.12		5,121			.0	.108	06/01/2023..	1..
31414X-ZC-9..	FNMA PASS-THRU INT 15 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		20,111	20,111	19,595	19,599		.512		.512		20,111			.0	.431	06/01/2023..	1..
31415P-WM-6..	FNMA PASS-THRU INT 15 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		4,430	4,430	4,414	4,414		.17		.17		4,430			.0	.82	07/01/2023..	1..
31416B-QK-7..	FNMA PASS-THRU INT 15 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		17,935	17,935	18,227	18,228		(.292)		(.292)		17,935			.0	.341	12/01/2020..	1..
31371K-ZZ-3..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		44,984	44,984	44,785	44,786		.198		.198		44,984			.0	1,045	03/01/2033..	1..
31371N-H4-0..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		62,913	62,913	65,926	65,930		(3,017)		(3,017)		62,913			.0	1,814	08/01/2037..	1..
31376K-TT-3..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		56,231	56,231	56,205	56,207		.24		.24		56,231			.0	1,307	09/01/2035..	1..
31402Q-WA-5..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		62,633	62,633	60,998	61,009		1,623		1,623		62,633			.0	1,447	01/01/2035..	1..
31402R-AQ-2..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		84,496	84,496	86,773	86,739		(2,243)		(2,243)		84,496			.0	2,273	12/01/2032..	1..
31402R-AS-8..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		65,411	65,411	67,277	67,291		(1,880)		(1,880)		65,411			.0	1,760	03/01/2035..	1..
31402R-H2-8..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		41,161	41,161	41,544	41,534		(.373)		(.373)		41,161			.0	1,036	12/01/2032..	1..
31403C-6L-0..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		84,718	84,718	86,753	86,763		(2,045)		(2,045)		84,718			.0	1,789	02/01/2036..	1..
31405X-C6-8..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		2,765	2,765	2,757	2,758		.8		.8		2,765			.0	.64	11/01/2034..	1..
31408H-3H-6..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		48,105	48,105	47,587	47,587		.518		.518		48,105			.0	1,192	02/01/2036..	1..
31410F-ZQ-7..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		7,464	7,464	7,446	7,446		.18		.18		7,464			.0	.157	08/01/2034..	1..
31410F-5D-3..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		82,245	82,245	79,540	79,550		2,696		2,696		82,245			.0	1,732	10/01/2035..	1..
31410F-T6-2..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		11,489	11,489	11,418	11,418		.71		.71		11,489			.0	.267	02/01/2035..	1..
31410G-KA-0..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		43,612	43,612	42,178	42,182		1,430		1,430		43,612			.0	.920	12/01/2036..	1..
31410K-NH-3..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		35,683	35,683	35,003	35,004		.678		.678		35,683			.0	.818	05/01/2038..	1..
31410K-WP-5..	FNMA PASS-THRU LNG 30 YEAR		05/25/2009..	VARIOUS.....		672,633	662,503	668,611	668,641		(.192)		(.192)		668,449		4,184	4,184	13,299	09/01/2038..	1..
31410Q-NP-2..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		17,040	17,040	17,492	17,495		(.455)		(.455)		17,040			.0	.444	10/01/2036..	1..
31410V-MB-3..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	VARIOUS.....		185,335	175,148	179,308	179,360		(.540)		(.540)		178,820		6,516	6,516	6,054	01/01/2037..	1..
31411Y-WC-3..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	VARIOUS.....		213,121	199,475	204,283	204,345		(.60)		(.60)		204,285		8,836	8,836	7,020	06/01/2037..	1..
31412L-G4-6..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	VARIOUS.....		217,129	204,577	209,435	209,498		(.397)		(.397)		209,100		8,029	8,029	7,066	04/01/2037..	1..
31413U-TP-4..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		20,753	20,753	21,259	21,260		(.507)		(.507)		20,753			.0	.495	12/01/2037..	1..
31414H-KB-2..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	PRINCIPAL RECEIPT.....		35,455	35,455	36,341	36,346		(.891)		(.891)		35,455			.0	.839	01/01/2038..	1..
31414R-NH-4..	FNMA PASS-THRU LNG 30 YEAR		06/25/2009..	VARIOUS.....		394,432	391,572	381,080	381,099		.732		.732		381,831		12,601	12,601	8,705	03/01/2038..	1..

STATEMENT AS OF JUNE 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31415C-LL-9...	FNMA PASS-THRU LNG 30 YEAR		06/25/2009	PRINCIPAL RECEIPT		23,077	23,077	22,459	22,460		617		617		23,077			0	467	05/01/2038	1
31416B-XR-4...	FNMA PASS-THRU LNG 30 YEAR		06/25/2009	PRINCIPAL RECEIPT		209,499	209,499	216,881			(7,382)		(7,382)		209,499			0	2,846	08/01/2037	1
31416J-FT-3...	FNMA PASS-THRU LNG 30 YEAR		05/25/2009	VARIOUS		599,596	591,104	594,752	594,769		(314)		(314)		594,455		5,140	5,140	11,766	06/01/2038	1
31371N-LS-2...	FNMA PASS-THRU LNG 10 7-10YR		06/25/2009	PRINCIPAL RECEIPT		87,007	87,007	88,598	88,646		(1,639)		(1,639)		87,007			0	2,390	10/01/2037	1
31413Q-PD-4...	FNMA PASS-THRU LNG 10 7-10YR		06/25/2009	PRINCIPAL RECEIPT		144,914	144,914	149,125	149,231		(4,317)		(4,317)		144,914			0	3,964	10/01/2037	1
31385J-HW-1...	FNMA PASS-THRU MEGA MULTI 7		06/25/2009	PRINCIPAL RECEIPT		794	794	822	811		(17)		(17)		794			0	20	07/01/2012	1
31385X-HZ-3...	FNMA PASS-THRU MEGA MULTI 7		06/25/2009	PRINCIPAL RECEIPT		5,571	5,571	5,416	5,440		132		132		5,571			0	106	06/01/2013	1
31402C-5S-7...	FNMA PASS-THRU MEGA MULTI 7		06/25/2009	PRINCIPAL RECEIPT		1,558	1,558	1,504	1,518		40		40		1,558			0	30	04/01/2014	1
31403D-GP-8...	FNMA PASS-THRU MEGA MULTI 7		06/25/2009	PRINCIPAL RECEIPT		2,926	2,926	3,036	3,030		(104)		(104)		2,926			0	70	02/01/2016	1
31402D-FV-7...	FNMA Passthru Pool # 399384		06/25/2009	PRINCIPAL RECEIPT		72,817	72,817	76,543	75,552		(2,735)		(2,735)		72,817			0	1,942	07/01/2017	1
31378H-UH-2...	FNMA POOL #254476 5.5%		06/25/2009	PRINCIPAL RECEIPT		8,045	8,045	8,231	8,109		(64)		(64)		8,045			0	252	09/01/2012	1
31371K-T9-2...	FNMA POOL #535063 6.50%		06/25/2009	PRINCIPAL RECEIPT		54,841	54,841	55,012	54,988		(147)		(147)		54,841			0	1,289	09/01/2032	1
31384V-ML-3...	FNMA Pool #555081 6.329%		06/25/2009	PRINCIPAL RECEIPT		23,871	23,871	24,625	24,276		(405)		(405)		23,871			0	648	12/01/2014	1
31385W-UE-7...	FNMA Pool #581407		06/25/2009	PRINCIPAL RECEIPT		5,809	5,809	6,360	6,016		(207)		(207)		5,809			0	158	03/01/2012	1
31387D-3Q-0...	FNMA POOL #795135		06/25/2009	PRINCIPAL RECEIPT		193	193	196	196		(3)		(3)		193			0	6	06/01/2031	1
31405P-LQ-1...	4.602% 10/01/2017		06/25/2009	PRINCIPAL RECEIPT		14,990	14,990	14,628	14,633		357		357		14,990			0	312	10/01/2034	1
31410F-UC-7...	6.500% 10/01/2017		06/25/2009	PRINCIPAL RECEIPT		133,816	133,816	136,853	136,671		(2,855)		(2,855)		133,816			0	3,547	10/01/2026	1
31410G-TM-5...	6.000% 3/01/2017		06/25/2009	PRINCIPAL RECEIPT		219,239	219,239	223,367	223,327		(4,089)		(4,089)		219,239			0	5,444	03/01/2036	1
31410K-MG-6...	5.000% 12/01/2017		06/25/2009	PRINCIPAL RECEIPT		65,150	65,150	62,712	62,727		2,423		2,423		65,150			0	1,365	12/01/2036	1
31410K-UK-8...	7.000% 12/01/2017		06/25/2009	VARIOUS		4,883,505	4,540,738	4,753,585	4,753,926		(20,837)		(20,837)		4,733,089		150,417	150,417	142,594	12/01/2037	1
31416C-EZ-5...	4.500% 5/01/2017		06/25/2009	PRINCIPAL RECEIPT		3,934	3,934	4,002			(68)		(68)		3,934			0	15	05/01/2039	1
31374S-6A-4...	FNMA Pool 323165 6.0%		06/25/2009	PRINCIPAL RECEIPT		6,995	6,995	7,306	7,142		(147)		(147)		6,995			0	173	06/01/2013	1
31374T-PG-8...	FNMA Pool 323623 6.0%		06/25/2009	PRINCIPAL RECEIPT		14,474	14,474	14,892	14,684		(210)		(210)		14,474			0	356	03/01/2014	1
31387H-3W-8...	FNMA Pool 585013		06/25/2009	PRINCIPAL RECEIPT		3,678	3,678	3,828	3,739		(60)		(60)		3,678			0	93	06/01/2014	1
31394U-ZK-1...	6.000% 10/25/2029		06/25/2009	PRINCIPAL RECEIPT		24,641	24,641	25,109	24,995		(354)		(354)		24,641			0	624	10/25/2032	1
31359V-GF-4...	FNMA REMIC TR 1999-1		05/25/2009	VARIOUS		5,330,761	4,998,433	5,189,779	5,221,948		(14,829)		(14,829)		5,207,119		123,642	123,642	157,115	02/25/2029	1
31392E-S8-4...	FNMA REMIC TRUST 2002-W10		06/25/2009	PRINCIPAL RECEIPT		43,853	43,853	43,798	43,800		53		53		43,853			0	986	08/25/2042	1
31392D-H7-0...	FNMA REMIC TRUST 2002-W6		06/25/2009	PRINCIPAL RECEIPT		27,821	27,821	30,516	30,516		(1,058)		(1,058)		27,821			0	890	06/25/2042	1
31395N-U4-7...	FNMA REMIC TRUST 2006-59		06/25/2009	PRINCIPAL RECEIPT		358,057	358,057	359,847	360,214		(2,157)		(2,157)		358,057			0	8,189	02/25/2029	1
31395B-5P-4...	FNMA REMIC TRUST 2006-W1		06/25/2009	PRINCIPAL RECEIPT		239,140	239,140	228,080	227,616		11,524		11,524		239,140			0	639	02/25/2046	1
31397L-NJ-4...	FNMA REMIC TRUST 2008-40		06/25/2009	PRINCIPAL RECEIPT		250,948	250,948	255,771	255,330		(4,382)		(4,382)		250,948			0	6,404	03/25/2031	1
38375J-M9-3...	GNMA REMIC TRUST 2007-27		06/20/2009	PRINCIPAL RECEIPT		100,322	100,322	100,510	100,465		(143)		(143)		100,322			0	2,098	09/20/2036	1
38374D-GW-3...	GNMA REMIC TRUST 2007-80		06/16/2009	PRINCIPAL RECEIPT		475,632	475,632	480,552	480,220		(4,588)		(4,588)		475,632			0	10,875	07/16/2037	1
646136-WV-9...	FD AUT TRA SLM STUDENT LOAN TR 2008-3		06/03/2009	VARIOUS		76,022	75,000	73,803			0		0		73,803		2,219	2,219	72	12/15/2039	1FE
78444G-AA-2...	PRINCIPAL RECEIPT		04/25/2009			259,089	259,089	256,826	256,996		2,093		2,093		259,089			0	3,729	01/25/2014	1FE
3199999 - Totals - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						32,018,055	31,023,965	30,569,437	30,049,249	0	(79,383)	0	(79,383)	0	30,602,809	0	1,415,246	1,415,246	771,875	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
002819-AA-8...	ABBOTT LABORATORIES		06/17/2009	VARIOUS		296,398	275,000	274,893	274,915		9		9		274,924		21,474	21,474	7,947	11/30/2012	1FE
020002-AX-9...	ALLSTATE CORP		05/28/2009	VARIOUS		103,109	100,000	99,728			1		1		99,729		3,380	3,380	393	05/16/2019	1FE
ALTERNATIVE LOAN TR																					
02148H-AR-2...	6.000% 11/25/2036		06/10/2009	VARIOUS		347,750	503,750	508,473	508,392		(685)		(685)		507,708		(159,958)	(159,958)	16,166	11/25/2036	3FE
02261W-AB-5...	ALZA CORP ZERO COUPON		06/09/2009	VARIOUS		2,133,110	2,475,000	2,238,306	2,264,866		7,441		7,441		2,272,306		(139,196)	(139,196)		07/28/2020	1FE
032511-AX-5...	ANADARKO PETE CORP		04/09/2009	VARIOUS		300,715	350,000	357,812	357,161		(203)		(203)		356,958		(56,243)	(56,243)	12,082	09/15/2016	2FE
AT&T INC																					
00206R-AR-3...	5.800% 2/15/2019		05/14/2009	VARIOUS		296,616	300,000	299,067			19		19		299,086		(2,470)	(2,470)	5,087	02/15/2019	1FE

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STATEMENT AS OF JUNE 30, 2009 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
525170-BL-9...	LEHMAN ABS MTG 2003-1...		05/25/2009...	VARIOUS		498,310	537,079	501,225	455,817		4,147		4,147		459,965		38,345	38,345	11,649	12/25/2033...	1FE...
55292A-AA-6...	MASTR ASSET SEC TR 2007-1...		06/25/2009...	PRINCIPAL RECEIPT...		34,347	34,347	30,054	30,269		4,078		4,078		34,347				896	11/25/2037...	1FE...
55265K-3R-8...	MASTR ASSET TR 2003-12...		06/25/2009...	PRINCIPAL RECEIPT...		23,995	23,995	23,939	23,939		57		57		23,995				527	12/25/2033...	1FE...
59018Y-UZ-2...	MERRILL LYNCH CO INC MTN BE...		06/23/2009...	VARIOUS		972,238	965,000	937,112	950,708		5,795		5,795		956,503		15,734	15,734	35,509	02/08/2010...	1FE...
595620-AH-8...	MIDAMERICAN ENERGY CO...		05/20/2009...	VARIOUS		174,183	175,000	174,400	174,435		19		19		174,454		(271)	(271)	6,467	03/15/2018...	1FE...
61746S-BS-7...	MORGAN STANLEY...		05/29/2009...	VARIOUS		356,188	350,000	349,059	349,601		76		76		349,677		6,511	6,511	15,318	01/21/2011...	1FE...
61747Y-CE-3...	MORGAN STANLEY...		05/29/2009...	VARIOUS		123,965	125,000	124,845	124,857		8		8		124,865		(900)	(900)	4,479	04/28/2015...	1FE...
629568-AP-1...	NABORS INDS INC...		04/01/2009...	VARIOUS		510,313	575,000	605,134	598,249		(2,470)		(2,470)		595,779		(85,466)	(85,466)	2,117	05/15/2011...	2FE...
652482-BR-0...	NEWS AMER INC...		05/13/2009...	Barclays Capital		194,268	200,000	199,888			2		2		199,890		(5,622)	(5,622)	3,642	03/01/2019...	2FE...
655664-AM-2...	NORDSTROM INC...		05/28/2009...	VARIOUS		50,173	50,000	49,817							49,817		355	355	56	06/01/2014...	1FE...
	NOVARTIS SECS INVEST																				
66989G-AA-8...	5.125% 2/10/...		05/14/2009...	VARIOUS		176,360	175,000	174,689			6		6		174,695		1,665	1,665	2,466	02/10/2019...	1FE...
717081-CZ-4...	PFIZER INC...		05/20/2009...	VARIOUS		1,696,528	1,600,000	1,597,808			107		107		1,597,915		98,613	98,613	12,262	03/15/2012...	1FE...
	PLAINS ALL AMERN PIPELINE L P...		05/28/2009...	VARIOUS		187,088	200,000	198,848	198,905		35		35		198,941		(11,853)	(11,853)	7,619	05/01/2018...	2FE...
742718-DN-6...	PROCTER & GAMBLE CO...		05/06/2009...	VARIOUS		301,422	300,000	299,472			10		10		299,482		1,940	1,940	3,721	02/15/2019...	1FE...
743410-AR-3...	PROLOGIS...		04/02/2009...	VARIOUS		1,722,500	3,250,000	1,669,688	2,906,195		2,148	1,238,586	(1,236,438)		1,669,756		52,744	52,744	24,036	11/15/2037...	2FE...
743873-AW-1...	PROVIDENT FDG MTG LN																				
743873-AW-1...	2005-1		06/25/2009...	PRINCIPAL RECEIPT...		33,979	33,979	28,882	23,334		10,645		10,645		33,979			0	678	05/25/2035...	1FE...
771196-AN-2...	ROCHE HLDGS INC...		06/22/2009...	VARIOUS		1,043,980	1,000,000	994,700			533		533		995,233		48,747	48,747	15,000	03/01/2012...	1FE...
79548K-3J-5...	SALOMON BROS MTG 7 2000- C1...		06/18/2009...	PRINCIPAL RECEIPT...		163,587	163,587	177,134	176,710		(13,122)		(13,122)		163,587			0	5,441	02/18/2032...	1FE...
	SHELL INTERNATIONAL FIN BV...																				
822582-AD-4...	BV...		05/05/2009...	VARIOUS		267,718	250,000	248,673	248,673		5		5		248,678		19,039	19,039	6,508	12/15/2038...	1FE...
842400-FH-1...	SOUTHERN CALIF EDISON CO...		05/20/2009...	VARIOUS		25,586	25,000	24,885	24,886		1		1		24,887		699	699	1,219	02/01/2038...	1FE...
85771S-AA-4...	STATOILHYDRO ASA...		05/13/2009...	VARIOUS		125,054	125,000	124,761			1		1		124,762		292	292	456	04/15/2019...	1FE...
	STRUCTURED ADJ RATE 2006-8...		06/25/2009...	PRINCIPAL RECEIPT...		25,732	25,732	7,315	7,315		18,417		18,417		25,732			0	593	09/25/2036...	3FE...
86361J-AN-0...	TECK COMINCO LTD...		04/02/2009...	VARIOUS		11,300	20,000	8,338	8,338		205		205		8,542		2,758	2,758	555	10/01/2015...	3FE...
878742-AF-2...	TIME WARNER CABLE INC...		05/14/2009...	VARIOUS		159,545	150,000	149,301			15		15		149,316		10,228	10,228	1,656	04/01/2014...	2FE...
88732J-AR-9...	TJX COS INC NEW ZERO																				
872540-AL-3...	COUPON TRANSOCEAN SEDCO FOREX INC...		05/04/2009...	VARIOUS		3,016,000	3,200,000	2,860,587	2,183,614		6,220		6,220		2,891,354		124,646	124,646		02/13/2021...	2FE...
893830-AU-3...	UNITED TECHNOLOGIES CORP...		06/08/2009...	VARIOUS		2,447,250	2,600,000	2,611,100	2,610,790		(129)		(129)		2,610,661		(163,411)	(163,411)	20,550	12/15/2037...	2FE...
913017-BQ-1...	UNITED TECHNOLOGIES CORP...		05/06/2009...	VARIOUS		215,686	200,000	214,794			(369)		(369)		214,425		1,261	1,261	4,866	02/01/2019...	1FE...
91324P-BH-4...	UNITEDHEALTH GROUP INC...		06/10/2009...	VARIOUS		898,763	917,000	872,956			1,864		1,864		874,820		23,943	23,943	14,647	02/15/2013...	1FE...
	US BK NATL ASSN MINN SUB																				
90333W-AA-6...	MTNBE		05/29/2009...	VARIOUS		268,993	250,000	258,638	254,582		(685)		(685)		253,897		15,095	15,095	13,370	08/01/2011...	1FE...
92922F-UC-0...	WAMU MTG CERT 2004-CB2...		06/25/2009...	PRINCIPAL RECEIPT...		14,929	14,929	14,819			85		85		14,929			0	341	08/25/2019...	1FE...
92922F-W2-0...	WAMU MTG CERT 2005-AR10...		06/25/2009...	PRINCIPAL RECEIPT...		34,078	34,078	32,874			1,162		1,162		34,078			0	686	09/25/2035...	1FE...
93363N-AF-2...	WAMU MTG CERT 2006-AR12...		06/25/2009...	PRINCIPAL RECEIPT...		24,811	24,811	22,857			1,924		1,924		24,811			0	606	10/25/2036...	3FE...
93935P-AP-4...	WAMU PTC WMALT 2007-1...		06/25/2009...	PRINCIPAL RECEIPT...		21,609	21,609	20,124			1,447		1,447		21,609			0	554	01/25/2022...	5FE...
949746-CL-3...	WELLS FARGO 5.125%		06/08/2009...	VARIOUS		1,118,216	1,100,000	1,105,269	1,102,434		(267)		(267)		1,102,168		16,048	16,048	43,847	09/01/2012...	1FE...
94981Q-AF-5...	WELLS FARGO MBS 2005-AR16...		06/25/2009...	PRINCIPAL RECEIPT...		24,274	24,274	23,614			656		656		24,274			0	507	10/25/2035...	1FE...
94982P-AA-7...	WELLS FARGO MBS 2005-AR7...		06/25/2009...	PRINCIPAL RECEIPT...		254,960	254,960	252,545			2,415		2,415		254,960			0	5,643	05/25/2035...	1FE...
94983B-AA-7...	WELLS FARGO MBS 2006-4...		06/25/2009...	PRINCIPAL RECEIPT...		28,110	28,110	27,575			617		617		28,110			0	696	04/25/2036...	1FE...
94980S-AQ-8...	WELLS FARGO MBS 2006-9...		06/25/2009...	PRINCIPAL RECEIPT...		679,814	679,814	653,046			29,926		29,926		679,814			0	16,493	08/25/2036...	1FE...
94985W-DN-8...	WELLS FARGO MBS 2007-11...		06/25/2009...	PRINCIPAL RECEIPT...		53,575	53,575	52,269			1,138		1,138		53,575			0	1,339	08/25/2037...	1FE...
3899999 - Totals - Bonds - Industrial and Miscellaneous (Unaffiliated)						43,236,393	45,077,102	42,523,011	36,225,179	161,621	453,492	1,238,586	(623,473)	0	42,945,779	0	290,607	290,607	1,023,506	XXX	XXX
8399997 - Total - Bonds - Part 4						101,498,039	102,356,651	99,306,826	75,780,340	161,621	323,609	1,238,586	(753,356)	0	99,679,159	0	1,818,875	1,818,875	2,105,508	XXX	XXX
8399999 - Total - Bonds						101,498,039	102,356,651	99,306,826	75,780,340	161,621	323,609	1,238,586	(753,356)	0	99,679,159	0	1,818,875	1,818,875	2,105,508	XXX	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																					
060505-68-2...	BANK OF AMERICA CORPORATION		04/02/2009...	VARIOUS	2,000,000	959,900		849,000	1,303,000	815,076		1,269,076	(454,000)		849,000		110,900	110,900	72,500	XXX	P3LFE...
8499999 - Totals - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)						959,900	XXX	849,000	1,303,000	815,076	0	1,269,076	(454,000)	0	849,000	0	110,900	110,900	72,500	XXX	XXX
8999997 - Total - Preferred Stocks - Part 4						959,900	XXX	849,000	1,303,000	815,076	0	1,269,076	(454,000)	0	849,000	0	110,900	110,900	72,500	XXX	XXX
8999999 - Total - Preferred Stocks						959,900	XXX	849,000	1,303,000	815,076	0	1,269,076	(454,000)	0	849,000	0	110,900	110,900	72,500	XXX	XXX
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
872540-10-9...	TJX COS INC NEW																				

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Schedule DB - Part A - Section 1
NONE

Schedule DB - Part B - Section 1
NONE

Schedule DB - Part C - Section 1
NONE

Schedule DB - Part D - Section 1
NONE

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter							
1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total Cash Equivalents					0	0	0

